GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3393
ANSWERED ON:16.03.2000
SUBSIDY ON PALM OIL PLANTATIONS
UMMAREDDY VENKATESWARLU

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) Whether the Union Government encourages Palm Oil Plantations by extending subsidies; (

(b) if so, the details of subsidy schemes and the quantum of subsidy provided;

(c) the area covered under Palm Oil presently;

(d) whether there is a proposal to extend the acreage under Palm Oil; and

(e) if so, the States selected where such enhancement of acreage under Palm Oil likely to be taken place?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI V. SREENIVASA PRASAD)

(a) In order to encourage oil palm cultivation government is providing assistance to selected states under Centrally Sponsored Scheme, namely, Oil Palm Development Programme (OPDP).

(b) Components for which assistance is provided under OPDP and rate of assistance applicable therein are indicated below:

(i) Assistance for Planting Material: 75% of cost with a ceiling of Rs.5,400/- per ha, for entire land holding of the farmer.

(ii) Assistance for Cultivation Cost: 50% of the cost during the gestation period of 4 years with a ceiling of Rs.15,500/- per ha admissible upto 6 ha for individual farmer.

(iii) Assistance for Drip Irrigation: 90% of the total cost subject to a maximum of Rs. 25,000 per ha for small & marginal, SC/ST and women farmers. 70% of the total cost subject to a maximum of Rs.25,000 per ha for other farmers.

(iv) Training, Extension & Publicity and Establishment & Staff are provided need based support.
Following new components have also been introduced under OPDP w.e.f. 08.02.2000.

(i) Demonstrations: In blocks where new Oil Palm Plantations of 500 ha or above are being taken up on farmers` fields, one demonstration of 20-25 ha will be taken up with a view to demonstrate to the farmers cultivation & management practices, plant protection measures and potential yield of Oil Palm.

(ii) Assistance for diesel pumpsets: Assistance of 50% of the cost subject to a maximum of Rs.8,000 for installation of diesel pump sets, at least to those farmers who take up 5 ha.And more of oil palm plantation.

(iii) Development of Wasteland: 15% of the funds under OPDP are to be earmarked for taking up special projects aimed at bringing under Oil Palm the wasteland or low productivity land, owned by farmers or Government land allotted to the farmers.Major assistance for planting material, cultivation and drip irrigation would be made available under OPDP.
Cost on implementation of OPDP is shared on 75:25 basis between Centre & States, except for the component of drip irrigation under which sharing is on 90:10 basis between Government of India and concerned State Government.For components like training, testing of genotypes, etc. being implemented by ICAR entire funds will be provided by the Central Government.
Including Central share of Rs.137.99 crores a total outlay of Rs.179.65 crores has been approved for providing assistance under different components of OPDP during Ninth Five Year Plan.

(c) So far an area of 54,296 ha has been covered under Oil Palm.

(d) & (e) : Implementing of OPDP has been approved during Ninth Plan for bringing additional area of 80000 ha under Oil Palm in the States of Andhra Pradesh, Karnataka, Tamil Nadu, Gujarat,Goa, Orissa, Tripura, Assam, Maharashtra, West Bengal & Kerala.